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TRINITY FINANCIAL SERVICES, LLC

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re CARLOS GALVAN MARTINEZ, Debtor,	Case No. 2:17-bk-21970-VZ Chapter 13 Adversary No. 2:18-ap-01009-VZ
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CARLOS GALVAN MARTINEZ, Plaintiff, v. TRINITY FINANCIAL SERVICES, LLC, Defendant.	STIPULATION BETWEEN CARLOS GALVAN MARTINEZ AND TRINITY FINANCIAL SERVICES, LLC RESOLVING THE ADVERSARY PROCEEDING AND FOR ENTRY OF JUDGMENT [PRE-TRIAL CONFERENCE] DATE: January 24, 2019 TIME: 11:00 A.M. CTRM: 1368
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Plaintiff CARLOS GALVAN MARTINEZ (the “Debtor” and/or “Plaintiff”) and
Defendant TRINITY FINANCIAL SERVICES, LLC (“Trinity,” and collectively with the Debtor,

1 the “Parties”), by and through their respective attorneys of record, hereby submit the instant
2 Stipulation Between the Parties Resolving The Adversary Proceeding and for Entry of Judgment
3 (“Stipulation”). In support of the Stipulation, the parties respectfully state to the Court as follows,
4 and request that the Court approve their Stipulation.

I. RELEVANT BACKGROUND

5 1. The Debtor is the maker of a Note in favor of original lender National City Bank,
6 dated August 8, 2007 in the original principal amount of \$58,000 (the “Note”). Trinity is the
7 current payee, and holder in due course, of the Note. The Note is secured by a Deed of Trust
8 recorded in Los Angeles County on August 14, 2007 as Document Number 20071903303 (the
9 “Deed of Trust”) (collectively, with the Note, the “Subject Loan”).

10 2. The Debtor filed a voluntary Chapter 13 bankruptcy petition with this Court on or
11 about September 29, 2017 (the “Petition Date”), initiating the instant case identified as Case
12 Number 2:17-bk-21970-VZ (the “Main Case”).

13 3. At all relevant times, Plaintiff was the owner of real property located at 4628-4628
14 ½ St. Elmo Dr., Los Angeles, CA 90019 (the “Real Property”).

15 4. On November 14, 2017, the Debtor filed his Chapter 13 Plan [Docket No. 17].

16 5. On December 6, 2017, the Debtor filed his Motion to Avoid Junior Lien on
17 Principal Residence (the “Motion”) [Main Case Docket No. 22].

18 6. On December 8, 2017, the Debtor filed his Amended Chapter 13 Plan [Main Case
19 Docket No. 25].

20 7. On December 20, 2017, the Debtor filed his Notice of Hearing on the Motion
21 Main Case [Docket No. 28].

22 8. On January 10, 2018, the Court entered its Order Denying Debtor’s Motion to
23 Avoid Junior Lien on Principal Residence [Main Case Docket No. 33].

24 9. On October 1, 2018, Plaintiff filed his Complaint to Avoid Junior Lien on
25 Principal Residence (“Complaint”) and was assigned Adversary Case No. 2:18-bk-01009-VZ.

26 10. On January 16, 2018 the Court issued its Summons to Trinity. The response
27 deadline to the Complaint was set to February 15, 2018.

28 11. On February 8, 2018, Trinity filed the Joint Stipulation to Extend Deadline to file
its Answer to March 1, 2018 [Docket No. 4].

12. On February 28, 2018, Trinity filed the Joint Stipulation to Extend Deadline to file
its Answer to March 22, 2018 [Docket No. 8].

1 13. On March 6, 2018, Plaintiff filed his Summons Service executed on Trinity
2 Financial Services, LLC [Adversary Docket No. 12].

3 14. On March 20, 2018, Trinity filed its Answer to Debtor's Complaint to Avoid
4 Junior Lien on Principal Residence [Adversary Docket No. 14].

5 15. On March 20, 2018, Trinity filed its Declaration re: Appraiser in Support of
6 Answer to Debtor's Complaint to Avoid Junior Lien on Principal Residence [Adversary Docket
7 No. 15].

8 16. On March 21, 2018, Plaintiff filed his Status Report [Adversary Docket No. 16].

9 17. On March 21, 2018, Trinity filed its Status Report [Adversary Docket No. 17].

10 18. On May 30, 2018, Plaintiff filed his Status Report [Adversary Docket No. 18].

11 19. On June 14, 2018, the Court entered its Status Conference Order [Adversary
12 Docket No. 21].

13 20. On October 1, 2018, Trinity filed the Joint Stipulation to use of Third Party
14 Appraiser and to Extend Discovery Deadline, Written Expert Reports Deadline and Supporting
15 Declarations Deadline from October 1, 2018 to October 31, 2018 [Adversary Docket No. 23].

16 21. On October 2, 2018, Trinity filed its Notice of Lodgment of Order Granting Joint
17 Stipulation to use of Third Party Appraiser and to Extend Discovery Deadline, Written Expert
18 Reports Deadline and Supporting Declarations Deadline from October 1, 2018 to October 31,
19 2018 [Adversary Docket No. 24].

20 22. On October 4, 2018, the Court entered its Order Granting Stipulation to use of
21 Third Party Appraiser and to Extend Discovery Deadline, Written Expert Reports Deadline and
22 Supporting Declarations Deadline from October 1, 2018 to October 31, 2018 [Adversary Docket
23 No. 25].

24 23. On November 2, 2018, Trinity filed its Declaration re: Direct Testimony of Third-
25 Party Appraiser Re: Complaint to Avoid Junior Lien On Principal Residence [11 USC Section
26 506(d)] [Adversary Docket No. 27].

27 24. Attorneys for Plaintiff and Trinity have engaged in communication regarding
28 amicable resolution of this adversary proceeding. Based upon the foregoing, the Parties agree to
resolve this adversary proceeding and enter judgment based on the terms set forth below.

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II. STIPULATION

In consideration of the foregoing and conditioned on the Court's approval, Plaintiff and Trojan stipulate and agree as follows:

24. The Parties agree that the value of the Real Property is \$834,982.01 as of the confirmation hearing date of March 11, 2019.

25. Trinity's lien on the Real Property shall be treated as a secured claim in the Debtor's Chapter 13 plan.

26. Trinity shall maintain its lien secured by a second deed of trust against the Real Property and filed as Claim No. 2-1 in the Main Case (the "Secured Claim").

27. Plaintiff shall pay the Secured Claim under Class 2 of his Chapter 13 plan. Payments toward the arrearage portion of the Secured Claim shall be made by the Chapter 13 trustee from the plan payments made by Plaintiff.

28. Trinity shall retain its lien in the junior position for the full amount due under the corresponding note and deed of trust and associated lien.

29. This Stipulation may be signed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same document. Facsimile copies of signatures by counsel for either of the Parties shall be treated as originals.

30. The parties agree that the Court shall enter judgment in this adversary proceeding pursuant to the terms of this Stipulation.

31. The hearing on Debtor's *Complaint to Avoid Junior Lien on Principal Residence* [Adversary Docket No. 1] (the "Complaint"), currently scheduled to be heard on January 24, 2019 at 11:00 a.m. in Dept. 1368 of this Court, shall be taken off calendar.

32. The Complaint is hereby DISMISSED with prejudice

Dated: November 9, 2018

Respectfully submitted,


LAW OFFICES OF RAYMOND PEREZ

By: 

Raymond Perez
Attorneys for Debtor
CARLOS GALVAN MARTINEZ

1
2 Dated: November 13, 2018

BURKE, WILLIAMS & SORENSEN, LLP

3
4
5 By: 
6 Rafael R. Garcia-Salgado
7 Richard J. Reynolds
8 Rafael R. Garcia-Salgado
9 Attorneys for Creditor
10 TRINITY FINANCIAL SERVICES, LLC
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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **1851 East First Street, Suite 1550, Santa Ana, California 92705-4067**

A true and correct copy of the foregoing document entitled (*specify*): **STIPULATION BETWEEN PLAINTIFF CARLOS GALVAN MARTINEZ AND TRINITY FINANCIAL SERVICES, LLC RESOLVING THE ADVERSARY PROCEEDING AND FOR ENTRY OF JUDGMENT**

will be served or was served (**a**) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (**b**) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **11/13/18**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Nancy K Curry (TR) TrusteeECFMail@gmail.com
- Rafael R Garcia-Salgado rgarcia@bwsllaw.com, bantle@bwsllaw.com, rjr-nef@bwsllaw.com, jgomez@bwsllaw.com
- Raymond Perez rperezlaw.ela@gmail.com
- United States Trustee (LA) ustpregion16.la.ecf@usdoj.gov

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **11/13/18**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Debtor:

Carlos Galvan Martinez
4628 1/2 St. Elmo Dr
Los Angeles, CA 90019

Judge:

Honorable Vincent P. Zurzolo
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and
Courthouse
255 E. Temple Street, Suite 1360
Los Angeles, CA 90012

☐ Service information continued on attached page

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**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE
TRANSMISSION OR EMAIL** (state method for each person or entity served):

Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued
on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

11/13/18

Bernadette C. Antle

Date

Printed Name



Signature